



STATE BOARD OF EQUALIZATION
PROPERTY TAX DEPARTMENT
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No. 2022/004

January 19, 2022

TO COUNTY ASSESSORS, COUNTY COUNSELS,
AND OTHER INTERESTED PARTIES:

**CALIFORNIA CODE OF REGULATIONS
TITLE 18, PUBLIC REVENUES**

PROPERTY TAX RULES 370 AND 370.5

Following a public hearing on October 19, 2021, the State Board of Equalization (BOE) amended Property Tax Rule 370, *Random Selection of Counties for Representative Sampling for Calendar Years Other than 2016 Through 2020*, and Rule 370.5, *Random Selection of Counties For Survey or Representative Sampling for Calendar Years 2016 Through 2020*. The amendments were initiated pursuant to California Code of Regulations, Title 1, section 100. The amendments to these rules were approved by the Office of Administrative Law and became effective on December 13, 2021.

Property Tax Rules 370 and 370.5 provide guidance for the selection of random counties and cities and counties for surveys of assessment practices. Previously, the Legislature had enacted two versions of Government Code section 15643: one version was effective for calendar years 2016 to 2020, and the second version was to be effective for calendar years 2021 and beyond. Effective January 1, 2021, [Senate Bill \(SB\) 1473](#) (Stats. 2020, ch. 371) extended the effective dates of section 15643 by five years, such that the first version of section 15643 would now be effective for calendar years 2016 to 2025, and the second version would be effective for calendar years 2026 and beyond. The amendments to Rules 370 and 370.5 reflect the changes made by SB 1473 to section 15643.

Enclosed are final copies of amended Rule 370 and 370.5. In addition, both rules will be posted on the BOE's website at <https://www.boe.ca.gov/proptaxes/prop-tax-rules.htm>. If you have any questions regarding the content of these rules, please contact the County-Assessed Properties Division at 1-916-274-3350.

Sincerely,

/s/ David Yeung

David Yeung
Deputy Director
Property Tax Director

DY:gs
Enclosure

BOARD OF EQUALIZATION
PROPERTY TAX RULES

Division 1. State Board of Equalization-Property Tax
Chapter 4. Equalization by State Board
Article 1. Random Selection of Counties

Rule 370. Random Selection of Counties for Representative Sampling for Calendar Years Other than 2016 Through 2025.

Authority: Section 15606, Government Code.

Reference: Section 75.60, Revenue and Taxation Code; and Sections 15640 and 15643, Government Code.

(a) SURVEY CYCLE. For each calendar year other than 2016 through 2025, the Board shall select at random at least three counties from among all except the 10 largest counties and cities and counties for a representative sampling of assessments in accordance with the procedures contained herein. Counties eligible for random selection will be distributed as equally as possible in a five-year rotation commencing with the local assessment roll for the 1997-98 fiscal year.

(b) RANDOM SELECTION FOR ASSESSMENT SAMPLING. The counties selected at random will be drawn from the group of counties scheduled in that year for surveys of assessment practices. The scheduled counties will be ranked according to the size of their local assessment rolls for the year prior to the sampling.

(1) If no county has been selected for an assessment sampling on the basis of significant assessment problems as provided in subdivision (c), the counties eligible in that year for random selection will be divided into three groups (small, medium, and large), such that each county has an equal chance of being selected. One county will be selected at random by the Board from each of these groups. The Board may randomly select an additional county or counties to be included in any survey cycle year. The selection will be done by lot, with a representative of the California Assessors' Association witnessing the selection process.

(2) If one or more counties are scheduled for an assessment sampling in that year because they were found to have significant assessment problems, the counties eligible for random selection will be divided into the same number of groups as there are counties to be randomly selected, such that each county has an equal chance of being selected. For example, if one county is to be sampled because it was found to have significant assessment problems, only two counties will then be randomly selected and the pool of eligible counties will be divided into two groups. If two counties are to be sampled because they were found to have significant assessment problems, only one county will be randomly selected and all counties eligible in that year for random selection will be pooled into one group.

(3) Once random selection has been made, neither the counties selected for an assessment sampling nor the remaining counties in the group for that fiscal year shall again become eligible for random selection until the next fiscal year in which such counties are scheduled for an assessment practices survey, as determined by the five-year rotation. At that time, both the counties selected and the remaining counties in that group shall again be eligible for random selection.

(c) ASSESSMENT SAMPLING OF COUNTIES WITH SIGNIFICANT ASSESSMENT PROBLEMS. If the Board finds during the course of an assessment practices survey that a county has significant assessment problems as defined in Rule 371, the Board shall conduct a sampling of assessments in that county in lieu of conducting a sampling in a county selected at random.

(d) ADDITIONAL SURVEYS. This rule shall not be construed to prohibit the Board from conducting additional surveys, samples, or other investigations of any county assessor's office. The legislative body or the assessor of any county may also request that the Board perform a survey that is not otherwise scheduled and the Board may enter into a contract with the requesting local agency to conduct that survey.

History: Adopted February 4, 1997, effective May 22, 1997.

Amended July 30, 2019, effective October 1, 2020.

Amended October 19, 2021, effective December 13, 2021.

State of California
BOARD OF EQUALIZATION
PROPERTY TAX RULES

Division 1. State Board of Equalization-Property Tax
Chapter 4. Equalization by State Board
Article 1. Random Selection of Counties

Rule 370.5 Random Selection of Counties For Survey or Representative Sampling for Calendar Years 2016 Through 2025.

Authority: Section 15606, Government Code.

Reference: Section 75.60, Revenue and Taxation Code; and Sections 15640 and 15643, Government Code.

(a) SURVEY CYCLE. For each calendar year from 2016 through 2025, the Board shall select counties at random from among all except the 10 largest counties and cities and counties for surveys of assessment procedures or representative samples of assessments in accordance with the procedures contained herein.

(b) RANDOM SELECTION FOR SURVEY OR REPRESENTATIVE SAMPLING. The counties selected at random will be drawn from the group of counties and cities and counties, as specified below, as ranked by the total value of locally assessed property in those counties and cities and counties on January 1 of 2015 and January 1 of every fifth calendar year thereafter.

(1) The Board shall survey the assessment procedures of one county and conduct a sample of assessments on the local assessment roll of another county that is within the 11th through the 20th largest counties and cities and counties.

(2) The Board shall survey the assessment procedures of three counties and conduct a sample of assessments on the local assessment roll of two other counties that are within the 21st through the 58th largest counties.

(3) For purposes of this paragraph, the Board shall stratify and select at random the counties in consultation with the California Assessors' Association.

(c) ASSESSMENT SAMPLING OF COUNTIES WITH SIGNIFICANT ASSESSMENT PROBLEMS. If the Board finds during the course of an assessment practices survey that a county has significant assessment problems as defined in Rule 371, the Board shall conduct a sampling of assessments in that county.

(d) ADDITIONAL SURVEYS. This rule shall not be construed to prohibit the Board from conducting additional surveys, samples, or other investigations of any county assessor's office. The legislative body or the assessor of any county may also request that the Board perform a survey that is not otherwise scheduled and the Board may enter into a contract with the requesting local agency to conduct that survey.

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